

City of Duluth

CERTIFIED PAYROLL CHECKLIST

[State of MN & Federal funded projects rev 4/5/11]
www.duluthmn.gov/engineering/construction_documents.cfm

For ease of communication, the e-mail address of the person responsible for certified payroll reports (CPRs) is necessary from the prime contractor and all subcontractors.

Please reply to the e-mail address in item #20.

- 1) Contractor's name and address must appear on the top line of each **certified payroll report (CPR)**.
- 2) **City project number, name, and location must appear on each weekly CPR AND the Statement of Compliance.**
- 3) **CPRs must be numbered sequentially**; for example, #1, #2, #3, etc.
 - **Should the prime contractor or any subcontractor NOT perform work on a project for one or several weeks, DO NOT submit any CPRs at all. When work resumes, mark the CPR with the next sequential number.**
 - **Should a project continue into another year, continue with the same number sequence.**
- 4) Each **employee's complete address** and the **last four digits of the social security number** must be on the first CPR his/her name appears; subsequent CPRs need only show the name.
 - Hours of work must clearly correspond with the appropriate dates; overtime hours listed separately.
- 5) **CLASSIFICATION and CODE NUMBERS**
Each employee's classification title, group number, and code number **must be indicated on each CPR** using the State of Minnesota Master Job Classification listing.
 - **NOTE** that the U S DOL prevailing wage schedules DO NOT match the State of Minnesota's for every classification—use caution when applying these code and group numbers.
 - **A listing of simply "operator" or "laborer" or "driver," etc. will not be accepted.**
 - » **CPRs will be returned for correction and monthly projects payments could be delayed.**
 - Employees who work in more than one classification must have the hours spent in each classification clearly indicated on separate lines with the appropriate wage.
 - Web site: <https://www.revisor.mn.gov/rules/?id=5200/1100>
- 6)
 - The U S DOL form WH-347 may be used for preparing the actual certified payroll report.
web site: <http://www.dol.gov/whd/wh347.pdf>
Any other form or software may be used as long as it mirrors the format of the report above.
- 7) **Total Pay Package**
 - The total pay package—base rate plus fringe benefits—must be equal to or greater than that established in the project prevailing wage schedules **or** the project labor agreement (PLA), if the project is subject to one.
 - » An employer may pay a lower hourly rate and higher fringe benefit rate than stated in the project's wage decision for regular time PROVIDING the total is equal to or greater than that of the wage decision— overtime must be applied to the higher prevailing wage in the project's wage decision.
 - **The overtime rate must be paid at NO LESS than the rate of pay as established in the project's wage decision multiplied by one and one-half half OR the base rate the employee is being paid if it is higher than the wage decision base rate.**
 - The **U.S. DOL Statement of Compliance** [on the reverse side of the WH-347 payroll form] must be used **in addition** to the **MnDOT Prime Contractor-Subcontractor's Statement of Compliance (12/2010)**; the second page must be completed in full regarding the fringe benefits.
web sites: <http://www.dol.gov/whd/wh347.pdf> (page two)
<http://dot.state.mn.us/const/labor/forms.html>

- The fringe benefit package is an integral portion of the prevailing wage. Should the **prime contractor or any subcontractor (regardless of tier)** become delinquent with any fringe benefit plan administrator's requirements for monthly payment, an estimated amount due that plan plus penalties may be withheld from the monthly estimate(s) **OR** the entire monthly estimates(s) may be withheld. See item #10.

8) Other Deductions

- **"Other Deductions"** must be identified; for example: garnishment, alimony, child support, other court ordered deductions, specific fringe benefits, etc. Copies of these documents must be submitted with the first certified payroll report the deduction appears OR an involuntary deduction form must be included with the first certified payroll report the deduction appears.
- **Voluntary deductions** must be clearly marked as to the type: medical, life insurance, 401K, loan payment, etc. A copy of the employee's signed authorization for the voluntary deduction(s) must be included with the first certified payroll the deduction appears.
- **Union dues, union vacation pay, etc.** do not need an authorization form; however, those deductions must be clearly marked on the CPR and the Statement of Compliance which accompanies each CPR.
web site: www.duluthmn.gov/engineering/construction_documents.cfm

9) Apprentices

- **Apprentices must be clearly identified on each certified payroll.**
- **A copy of the official state-approved apprenticeship agreement ALONG WITH the ratio language for that particular trade must be included with the first certified payroll report the apprentice appears.**
- Failure to complete the complete apprenticeship papers may result in a delay of project payments.

10) Fringe Benefits

- Only plans approved by the U.S. Department of Labor will be allowed.
- Payments made to bonafide plans must be timely per the stipulations of the plan administrator.
- Delinquent payments may result in a delay of monthly estimates or an estimated dollar amount due deducted from the monthly estimate. MnDOT 1906 Partial Payments will be implemented.

11) Trucking Operations

- **CPRs are required from ALL multiple truck operations (MTOs), partnerships, and corporations which have workers on a city of Duluth construction project.**
- **CPRs are required** from MTOs, partnerships, and corporations who have a contract with a broker and use their own employees or themselves (in a partnership or corporation) on a city of Duluth construction project.
 - » Each partner performing work on a project must submit a copy of his/her commercial driver's license (CDL), cab card, and insurance certificate for the truck being operated with that weekly CPR. It is not necessary to repeat such supporting documentation until a different truck is used and/or certificates have expired.
- **Independent truck operators (ITOs)** must submit copies of their CDL, cab card, and insurance certificate for each truck being operated before commencing work on the construction project. These documents must be sent to the prime contractor who will, then, forward the material to Labor Compliance Specialist. No CPRs are required.

12) Month End Trucking Reports

MnDOT's Month-End Trucking Report must be submitted within five working days of the month ending to Labor Compliance Specialist. web site: www.dot.state.mn.us/const/labor/forms.html

13) Owners/Salaried Persons

City Ordinance 8940, 6/18/85 defines a laborer, mechanic: all persons utilized, employed, or working on a project who are doing work usually done by mechanics and laborers, including proprietors, partners, and members of cooperatives.

- This means that all persons working on a City of Duluth project including owners, partners, salaried person, working foremen, etc. performing laborer and/or mechanic work shall be reported on the certified payroll reports including all data required of any laborer or mechanic.

14) **Base Workweek**

The base workweek is five 8-hour days. Daily overtime must be paid on hours exceeding eight per day.

15) **Overtime**

On this project, time and one-half the regular hourly rate is paid for hours exceeding eight per day / all hours after 40 per week.

- An employer may not withhold overtime payment exclusively until 40 hours per week are satisfied. Daily overtime must be paid as it is earned due the State of MN funding.

16) **Originals**

ORIGINAL certified payroll reports must be **submitted WEEKLY**. The prime contractor is responsible for all subcontractors' certified payroll reports.

FAXED certified payroll reports WILL NOT be accepted.

QUICKEN BOOK users will need to provide data in a format as the WH-347 payroll form.

(See web site in item #6)

17) **Statement of Compliance**

BOTH the **U.S. DOL Statement of Compliance** and the **MnDOT Prime Contractor-Subcontractor's Statement of Compliance (12/2010)** must be completed in full and attached to each weekly certified payroll report.

www.dot.state.mn.us/const/labor/forms.html

MnDOT

www.dol.gov/whd/wh347.pdf

U S DOL

- Check box A or B for fringe benefit allocation (on the front side of the MnDOT form).
- The back side of the MnDOT form requires the amount paid by classification and category plus the name, address, etc. of the fringe benefit plans.
- Any employee who has an exception to the fringe benefits must be explained in section "C."
- For fringe benefits paid in cash:
 - » indicate this in section "C"
 - » the fringe amount will be added to the employee's regular hourly rate; this total amount will appear on the certified payroll report and is subject to all payroll taxes
 - overtime is calculated at one and one-half the regular hourly rate [see #6 above] plus the fringe benefit amount
- A handwritten—**original**—signature must appear on the back side.

18) **EEO Reports are required on this project**

- Use the MnDOT EEO-13 form. Web site: <http://www.dot.state.mn.us/civilrights/forms.html>
- See the project's specifications/contract for specifics.
- Submit the monthly reports to the Labor Compliance Specialist in item #20

19) **IC-134**

Form IC-134, Withholding Affidavit for Contractors must be submitted before the full retainage can be released.

- on-line: www.mndor.state.mn.us lower right side of screen, click: Submit Contractor Affidavit
- hard copies: www.taxes.state.mn.us/Forms_and_Instructions/ic134.pdf

20) Send weekly original certified payroll reports and EEO reports to:

direct: 218/730-5066

fax: 218/730-5907

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Note to subcontractors: the original certified payroll reports must be submitted to the prime contractor. The prime contractor will make a copy for its records and send the originals to the address in item #20.